

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-64-S - ORDER NO. 2004-448
SEPTEMBER 24, 2004

IN RE:	Application of Carolina Water Service, Inc.)	ORDER APPROVING
	for Approval of Two Franchises Granted to)	FRANCHISE
	CWS by Richland County and the Lexington)	AGREEMENTS
	County Joint Municipal Water and Sewer)	
	Commission; and to grant CWS the Right and)	
	Privilege of Providing Wastewater Service in)	
	the Friarsgate/Lake Murray Areas of these)	
	Two Counties and an Agreement for)	
	Exchange of Customers Between the two)	
	Utilities.)	

I. INTRODUCTION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition of Carolina Water Service, Inc. (CWS or the Company) for approval of two franchises granted to CWS by Richland County (the County) and the Lexington County Joint Municipal Water and Sewer Commission (LCJMWSC) granting CWS the right and privilege of providing wastewater service in the Friarsgate/Lake Murray areas of these two counties and an Agreement for exchange of customers between the two utilities. The agreements, according to the Company, will not directly affect the rates and charges of any customer of CWS in the foreseeable future, and will, over time, generate more customers for the Company because of access to a larger service area. This request is made in accordance with 26 S.C. Code Regs. 103-503 of the Commission's Rules and Regulations.

The proposed agreement between CWS and the County will, according to its terms, (a) modify and amend certain provisions of the Existing Agreements previously made between the parties dated May 1, 1984, August 9, 1984, and July 29, 1993, and (b) provide for the assignment and exchange of sewer customers and service areas.

According to the Company, the LCJMWSC has granted to CWS an exclusive franchise for a term of forty (40) years to operate and maintain sewer facilities and to provide service to all residents and businesses located and locating, within the unincorporated area of Lexington County bounded on the East by the Richland County line; on the West by Irmo Drive; on the South by Gales Road and Chadford Road; and on the North by State Highway No. 6. In addition, the franchise area shall include the unincorporated area of Lexington County lying on promontories in Lake Murray connected to Richland County by the Salem Church Road peninsula.

II. DISCUSSION

26 S.C. Code Regs. 103-503(B) states that all rates, contract forms, and rules and regulations, proposed to be put into effect by any utility shall be first approved by the Commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law. Accordingly, CWS comes before this Commission for approval of two franchises granted to CWS by Richland County and the Lexington County Joint Municipal Water and Sewer Commission. The agreements grant the Company the right to provide wastewater service in the Friarsgate/Lake Murray areas of Richland and Lexington Counties, and provide for an exchange of customers.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Carolina Water Service has requested approval of two franchises (the agreements) granted to CWS by Richland County (the County) and the Lexington County Joint Municipal Water and Sewer Commission. The franchises grant CWS the right to provide wastewater service in the Friarsgate/Lake Murray areas of Richland and Lexington Counties and an agreement for an exchange of customers.

2. The agreements will not directly affect the rates and charges of any customer of CWS in the foreseeable future.

3. The agreements will, over time, generate more customers for the Company because of access to a larger service area.

4. The agreement between CWS and Richland County will according to its terms (a) modify and amend certain provisions of the existing agreements previously made between the parties dated May 1, 1984, August 9, 1984, and July 29, 1993; and (b) provide for the assignment and exchange of sewer customers and service areas.

5. The LCJMWSC has granted to CWS an exclusive franchise for a term of forty (40) years to operate and maintain sewer facilities and to provide service to all residents and businesses located and locating within the unincorporated area of Lexington County described as follows: the unincorporated area of Lexington County bounded on the East by the Richland County line; on the West by Irmo Drive; on the South by Gales Road and Chadford Road; and on the North by State Highway No. 6.

6. This latter franchise area will include the unincorporated area of Lexington County lying on promontories in Lake Murray connected to Richland County by the Salem Church Road peninsula.

7. 26 S.C. Code Regs 103-503(B) states that all rates, contract forms, and rules and regulations proposed to be put into effect by any utility shall be first approved by the Commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law. No such exemption is present in the case at bar. Therefore approval of the agreements by this Commission is needed before the agreements shall become effective.

8. An examination of the agreements reveals that approval of them would be in the public interest. No effect on the rates and charges of the customers of CWS will occur in the near future. Also, the agreements will in time generate more customers for the Company, because of access to a larger service area.

9. The agreements are approved in their entirety.

10. This Order shall remain in full force and effect until further Order of this Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice Chairman

(SEAL)